



NATURAL RESOURCES DEFENSE COUNCIL

July 16, 2001

Michael Moore, Presiding Commissioner
Lancaster Energy Facility #1 Application for Certification
California Energy Commission
1516 Ninth Street
Sacramento, California 95814-5512

DOCKET	
01-EP-12	
DATE	JUL 16 2001
RECD.	JUL 17 2001

RE: Docket No. 01-EP-12 (Lancaster Energy Facility #1)

Dear Commissioner Moore and Members of the Commission:

The Natural Resources Defense Council ("NRDC") submits this letter in strong opposition to the granting of an emergency permit for the Lancaster Energy Facility #1 under the process established by Executive Order D-26-01 (subsequently revised by D-28-01). NRDC is a nonprofit environmental membership organization with tens of thousands of members and contributors residing in California.

As you know, NRDC has not opposed – in any capacity – the siting of almost any of the other 15 power plants that have sought permits under the 21-day emergency process created by the Governor for peaking power plants. However the proposed Lancaster plant clearly does not meet the requirements necessary to be considered under the 21-day emergency process because (1) it is not a peaker and (2) it is highly unlikely to be in operation by September 30, 2001.

First, the proposed Lancaster plant is, in reality, a full-sized baseload power plant that would be permitted to run almost 24 hours per day, 365 days a year, and therefore, is not a peaker and should **not** qualify for consideration under the process established by Executive Order D-26-01 (subsequently revised by D-28-01). At 240 megawatts, this plant is also almost five times larger than the typical power plant considered to fall within the ordinary definition of a peaker. For these reasons alone, this plant should at least go through the four month process set forth in Public Resources Code section 25552, including a full California Environmental Quality Act ("CEQA") review.

In addition, there are at least two outstanding issues regarding the transmission of natural gas to this proposed facility that are almost certain to push the plant's scheduled start-up date beyond September 30, thereby automatically removing it from consideration for a permit under the 21-day expedited process. More specifically, we understand that there is a question as to whether the applicant will be able to physically lay the more than 20 miles of pipeline required to put this plant into operation, and that a second and undefined

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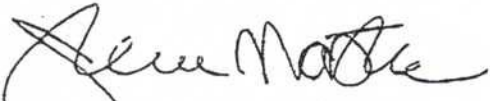
transmission issue exists between the applicant and Southern California Edison. These uncertainties provide an additional reason why this commission should refuse to grant an emergency permit for the Lancaster plant under the 21-day emergency process.

Finally, we intend to raise with the Antelope Valley Air Pollution Control District additional air pollution related issues concerning the proposed Lancaster facility.

For these reasons, we urge this Commission to find that the proposed Lancaster plant does not qualify for consideration under the 21-day process established by Executive Order D-26-01 (subsequently revised by D-28-01). This project should, at the very least, go through the more intensive four month siting process, including a full CEQA review.

If you have any questions regarding our comments, or you would like further information, please do not hesitate to contact us.

Sincerely,



For:

Julie Masters
Staff Attorney
Gail Ruderman Feuer
Senior Attorney